Report of M/s. IHI, Japan, on Modernisation of HDPEL

6326. SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:

Will the Minster of SURFACE TRANSPORT be pleased to refer to answer to Unstarred Question 2637 given in the Rajya Sabha on the 29th March, 1995 and state:

(a) when M/s. IHI, Japan, prepared the report with ten options, what prompted Government to sanction option (c) with least internal rate of return;

(b) when M/s. IHI, Japan found the combination 1, 2, 3, and 4 viable, with IRR more than the acceptable norm, what were the precise reasons for not accepting such combinations, particularly when OECF, Japan agreed to extend loan to the extent of Rs. 43,85 crores, as per exchange rate of December 1988 at 2.5% p.a., repayable over a period of ten years;

(c) whether HDPEL had informed the concerned Ministry before appointing DCL to conduct another viablility report; and

(d) if so, how Government felt that HDPEL should appoint DCL when IHI, Japan prepared and exhaustive viability report with financial stake of OECT, Japan?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER): (a) to (d) M/s. Ishikawajima-Harima Heavy Industries Co., Ltd. (IHI), Japan, had recommended 10 alternative proposals for modernisation of HDPEL. While the different investment combinations for modernisation were not found to be acceptable, however, Govt. had sanctioned one of the recommended scheme for modernisation called "Port Engineering Works (PEW)-C" as the scheme would provide such production facilities as could become part of the future modernisation plans. HDPEL took the help of Development Consultants Ltd. (DCL) to make financial and economic analysis of a modified project/proposal for Nazirgunge, drawn up in-house, based on IHI recommendations but with updated cost because of time gap between IHI report and the modified proposal.

Placing of Orders of Hooghly Dock and Port Engineers Ltd.

6327. SHRI NILOTPAL BASU:
SHRIMATI CHANDRA KALA PANDEY:

Will the Minister of SURFACE TRANSPORT be pleased to refer to answer to Unstarred Question 1309 given in the Rajya Sabha on the 14th December, 1994 and state:

(a) whether the Ministry have prescribed a mechanism for placement of roders to augment inadequate orders position of HDPEL and whether it has been followed by Port Trusts/Government authorities and the orders finalised accordingly;

(b) whether HDPEL have received a single order after issuance of the above orders by the Ministry; if not the reasons therefor;

(c) if so, the details of orders finalised by Port Trust/Government Authorities, indicating whether limited tenders or press tenders were issued and the names of the Shipyards on whom such orders have been placed;

(d) if not, what are the reasons for not following the instruction issued by the Ministry to the Port Trusts and what action has been taken by Ministry for non-compliance of such instructions; and

(e) whether Government have recommended some Port Trusts/Government authorities to place their orders to specific Shipyards(S) without following the prescribed mechanism/ tendering procedure; if so, what are the reasons therefor and why no such recommendations were made for the HDPEL?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER): (a) This Ministry has prescribed a mechanism for placement of orders for vessels/crafts required by the Major Port Trusts to augment inadequate order book position of Central Public Sector Shipyards including HDPEL. This mechanism is not applicable to the vessels/crafts required by the Government authorities. It has been followed by the Major Port Trusts and orders finalised accordingly.

(b) Yes, Sir.

(c) A statement giving details of orders finalised by the Major Port Trusts as per the prescribed mechanism is attached (*See* below).

(d) Does not arise.

(e) The requirement of Tuticorin Port Trust and New Mangalore Port Trust for 3 Nos. of 32 Ton Bollard Pull Tugs was ordered on Cochin Shipyard Limited with the approval of this Ministry without following above mechanism taking all facts into consideration i.e. order book position of all public sector shipyards including HDPEL.

Statement

Details of orders of vessels/crafts finalised by Port Trusts

Sl. No.	Name of the Port Trust	Vessel/craft ordered	Name of Shipyard on whom order placed	Cost	Mode of Tendering
1.	Madras Port Trust	2 crafts	M/s. Goodwill Engg. Works, Pondicherry	Less than Rs. 10 crores	Press tender
2.	Cochin Port Trust	(i) 1 No. Oil Skimmer-cum-Buoy tender (ii) 1 No. Fire float	—	Less than Rs. 10 crores	Press tender
3.	Calcutta Port Trust	(i) 1 Pilot Vessel (ii) 1 Sea-going Survey vessel	CIWTC, Calcutta HDPEL, Calcutta	Rs. 22.26 crores Rs. 4.4 crores	Open tender Open tender
4.	Bombay Port Trust	1 Grab Hopper Dredger	Order yet to be placed	—	Limited tender enquiry issued.
5.	Jawahar Lal Nehru Port	1 No. FRP VIP Launch	Nil	—	Limited tender enquiry on 4 public sector shipyards including HDPEL. All four shipyards confirmed that they do not undertake construction of FRP vessels.

Sl. No.	Name of the Port Trust	Vessel/craft ordered	Name of Shipyard on whom order placed	Cost	Mode of Tendering
6.	Tuticorin Port Trust	(i) 2 Nos. 32 Ton Bollard Pull Tugs (ii) 1 Small craft	Cochin Shipyard Limited Sesa Goa	Rs. 14.65 crores Rs. 2.90 crores	Order placed based on discussions held in Ministry with Major Port Trusts and Public Sector Shipyards. Press Tender
7.	New Mangalore Port Trust	2 Nos. 32 Ton Bollard Pull Tugs	Cochin Shipyard Ltd.	Rs. 14.65 crores	Repeat Order placed on CSL in order to avail the cost of benefit as approved by Government.
8.	Visakhapatnam Port Trust	1 No. 30 Ton Bollard Pull Tractor Tug.	Hindustan Shipyard Ltd.	Rs. 13.55 crores	Limited Tender
9.	Paradip Port Trust	(i) 1 No. 18 Ton Bollard Pull Tractor Tug (ii) 1 No. FRP Survey Launch	— —	Rs. 4.88 crores Rs. 1.86 crores	Orders placed after observing normal tendering procedure.

Revival of Hooghly Dock and Port Engineers Ltd.

6328. SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:

Will the Minister of SURFACE TRANSPORT be pleased to refer to answer to Unstarred Question 584, given in the Rajya Sabha on the 15th March, 1995 and state:

(a) whether the committee constituted by Government to evaluate the viability of the plan submitted by the Hooghly Dock and Port Engineers Limited has been asked to suggest measures, which may require 'no' or least investment from Government;

(b) whether it is possible to revive the company with 'no' investment when the major reason for the sickness of the company is conventional/outdated production facilities; if so, whether it also indicates a predetermined intention to close down/privatise the company;

(c) whether inadequacy of orders has no link with low productivity and heavy wage bills, when work-force has been reduced by more than 40% since nationalisation;

(d) whether any productivity norms, based on work study by an expert group had been fixed at any time to assess the productivity level, if so, the details thereof; and

(e) whether the erosion at managerial level, as pointed out by Krishan Dev Committee prior to nationalisation, had been made up through recruitments at any time, if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH